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16687

RECORDATION NO

FILED 1425

DEC 28 1989-12 05 PM

INTERSTATE COMMERCE COMMISSION

ICC TRANSMITTAL LETTER

RECORDATION NO

16687 A

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INTERSTATE COMMERCE COMMISSION

BOSTON
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RECORDATION NO

16687

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INTERSTATE COMMERCE COMMISSION

December 27, 1989

RECORDATION NO

16687

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DEC 28 1989-12 05 PM

INTERSTATE COMMERCE COMMISSION

9-362A063

Honorable Noreta R. McGee
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

\$60.00 filing fees

- Re: 1) Equipment Lease Agreement *New Re*
2) Lease Supplement No. 1 - *A*
3) Security Agreement and Trust Indenture - *B*
4) Security Agreement and Trust Indenture - *C*
Supplement No. 1

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instruments, in four (4) counterparts each, are hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$60 recordation fee.

Please record the Equipment Lease Agreement (the "Equipment Lease Agreement") dated as of December 14, 1989, relating to Itel Rail Trust No. 89-5, not previously recorded, under a new recordation number.

The parties to the Equipment Lease Agreement are listed below:

First Security Bank of Utah, N.A.,
as Owner Trustee under
Itel Rail Trust No. 89-5
(Lessor)
79 South Main Street
Salt Lake City, Utah 84111

(1) Received by [Signature] 12/28/89

Used Railcars

| <u>Number of Units</u> | <u>Size of Equipment</u> | <u>Manufacturer</u> | <u>Reporting Marks</u> |
|----------------------------|-----------------------------------|---------------------|--|
| 40 | 4780 Cubic Foot Covered Hopper | | CAGY 000700-000731, 000733- 000738; TBER 005040-005041 |
| 73 | 4780 Cubic Foot Covered Hopper | | USLX 020413-020441, 020443- 020470, 020472-020486; TBER 005042 |
| 3 | 4780 Cubic Foot Covered Hopper | | TBER 005027-005028, 005034 |
| 4 | 4780 Cubic Foot Covered Hopper | | TBER 005052-005055 |
| 1 | 4750 Cubic Foot Covered Hopper | | TBER 005039 |

Honorable Noretta R. McGee
December 27, 1989
Page Two

Itel Rail Corporation (Lessee)
55 Francisco Street
San Francisco, California 94133

The Equipment Lease Agreement sets forth the terms upon which the Lessor will lease to Lessee certain railroad rolling stock to be identified in lease supplements thereto, and Lease Supplement No. 1 (as defined below) recorded herewith covers such railroad rolling stock now leased.

The Equipment Lease Agreement Supplement No. 1 ("Lease Supplement No. 1") dated as of December 28, 1989 should be recorded as -A of the same recordation number as the Equipment Lease Agreement.

The parties to the Lease Supplement No. 1 are the same as in the Equipment Lease Agreement, and the Lease Supplement No. 1, among other things, identifies the railroad rolling stock covered by the Equipment Lease Agreement.

The Security Agreement and Trust Indenture (the "Security Agreement and Trust Indenture") dated as of December 14, 1989 should be recorded as -B of the same recordation number as the Equipment Lease Agreement.

The parties to the Security Agreement and Trust Indenture are as follows:

First Security Bank of Utah, N.A.,
as Owner Trustee under
Itel Rail Trust No. 89-5 (Owner Trustee)
/"Assignor"
79 South Main Street
Salt Lake City, Utah 84111

Continental Bank, National Association,
as Indenture Trustee (Indenture Trustee)
/"Assignee"
231 South LaSalle Street, 7th Floor
Chicago, Illinois 60697

The Security Agreement and Trust Indenture provides for a grant by the Owner Trustee to the Inden-

A. sec file

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RECORDATION NO. _____ FILED 1425
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INTERSTATE COMMERCE COMMISSION

Exhibit A to
Equipment Lease Agreement

LEASE SUPPLEMENT NO. 1

LEASE SUPPLEMENT NO. 1 dated December 28, 1989 (this "Lease Supplement") between FIRST SECURITY BANK OF UTAH, N.A., a national banking association, in its individual capacity as expressly provided herein and otherwise solely as Owner Trustee (the "Lessor") under Itel Rail Trust No. 89-5, and ITEL RAIL CORPORATION, a Delaware corporation (the "Lessee");

W I T N E S S E T H:

The Lessor and the Lessee have heretofore entered into that certain Equipment Lease Agreement dated as of December 14, 1989 (the "Lease"). The capitalized terms used herein have the meanings specified in the Lease.

The Lease provides for the execution and delivery of a Lease Supplement substantially in the form hereof.

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereby agree as follows:

1. The Lessee hereby acknowledges and confirms that it has inspected and approved the following Units and on the date hereof the following Units have been unconditionally accepted by the Lessee under and subject to the Lease:

ITEL RAIL CORPORATION TRUST 89-5Used Railcars

| <u>Number of Units</u> | <u>Size of Equipment</u> | <u>Manufacturer</u> | <u>Reporting Marks</u> | <u>Equipment Cost Per Unit</u> | <u>Total</u> |
|----------------------------|-----------------------------------|---------------------|---|------------------------------------|--------------|
| 40 | 4780 Cubic Foot Covered Hopper | | (CAGY) 000700- 000731, 000733- 000738 (TBER) 005040- 005041 | 4 | |
| 73 | 4780 Cubic Foot Covered Hopper | | (USLX) 020413- 020441, 020443- 020470, 020472- 020486 (TBER) 005042 | | |
| 3 | 4780 Cubic Foot Covered Hopper | | TBER 005027- 005028, 005034 | | |
| 4 | 4780 Cubic Foot Covered Hopper | | TBER 005052- 005055 | | |
| 1 | 4750 Cubic Foot Covered Hopper | | TBER 005039 | | |

Total Equipment Cost of Used Railcars.

The Lessee certifies, solely as between the Lessee and the Lessor, that the foregoing Units are in good order and condition, and conform to the specifications applicable thereto, and that the Lessee has no knowledge of any defect in any of the foregoing Units with respect to design, manufacture or condition or in any other respect.

2. The Delivery Date of the Units covered by this Lease Supplement is the date set forth in the opening paragraph hereof.

3. The Total Equipment Cost for the Units covered by this Lease Supplement is US\$2,635,000.00.

4. The Basic Term Commencement Date for the Units covered by this Lease Supplement is June 26, 1990.

5. The Lessee hereby acknowledges, but solely as between the Lessee and the Lessor, that (a) each Unit covered by this Lease Supplement is acceptable to and accepted by the Lessee under the Lease, and (b) as of the applicable Delivery Date for each Unit covered hereby, such Unit is in good order and condition and conforms to the specifications applicable thereto and is suitable for use in interchange service in accordance with the Interchange Rules and suitable for use by Class 1 line-haul railroads.

6. Notwithstanding Paragraph 5 hereof, the execution and delivery of this Lease Supplement by the Lessee shall not constitute a waiver, clearance, decrease or other release of any of the warranties, liabilities or other obligations of any manufacturers or prior owners thereof with respect to the Units covered by this Lease Supplement.

7. Lessee certifies that all subleases of the Units covered by this Lease Supplement conform to the terms of Section 19.4 of the Lease except with respect to subleases to CSX Transportation Company of boxcars which lease expires no later than January 1, 1990.

8. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Lease Supplement may refer to the "Lease Agreement dated as of December 14, 1989," the "Lease dated as of December 14, 1989" or the "Equipment Lease Agreement dated as of December 14, 1989," or

may identify the Lease in any other respect without making specific reference to this Lease Supplement, but nevertheless all such references shall be deemed to include this Lease Supplement, unless the context shall otherwise require.

9. This Lease Supplement shall be construed in connection with and as part of the Lease, and all terms, conditions and covenants contained in the Lease shall be and remain in full force and effect.

10. This Lease Supplement may be executed in any number of counterparts, each executed counterpart constituting an original but all together one and the same instrument.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered on the day and year first above written.

Lessor:

FIRST SECURITY BANK OF UTAH, N.A.,
not in its individual capacity
but solely as Owner Trustee
under Itel Rail Trust No. 89-5

By: 

Name: Greg A. Hawley
Title: Trust Officer

Lessee:

ITEL RAIL CORPORATION

By: _____

Name:
Title:

The right, title and interest of the Lessor under this Lease Supplement and the Lease referred to herein and certain of the Rent due and to become due hereunder and thereunder have been assigned as collateral security to and are subject to a security interest in favor of Continental Bank, National Association, as Indenture Trustee under a Security Agreement and Trust Indenture dated as of December 14, 1989 between said Indenture Trustee, as secured party, and the Lessor, as debtor. Information concerning such security interest may be obtained from the Indenture Trustee at its address set forth in Section 22.1 of said Lease.

STATE OF UTAH

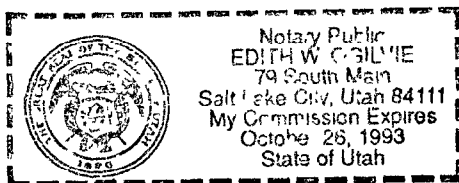
COUNTY OF SALT LAKE

)
) SS:
)

On this ____ day of DEC 21 1989, 1989, before me personally appeared Greg A. Hawley, to me personally known, who being duly sworn, says that he is a Trust Officer of FIRST SECURITY BANK OF UTAH, N.A., that said instrument was signed on DEC 21 1989, 1989 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Edith W. Ogilvie
Notary Public

[NOTARIAL SEAL]




My Commission Expires:

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered on the day and year first above written.

Lessor: FIRST SECURITY BANK OF UTAH, N.A.,
not in its individual capacity
but solely as Owner Trustee
under Itel Rail Trust No. 89-5

By: _____
Name:
Title:

Lessee: ITEL RAIL CORPORATION

By:  _____
Name: Robert C. Kiehnle
Title: Vice President-Finance and
Treasurer

The right, title and interest of the Lessor under this Lease Supplement and the Lease referred to herein and certain of the Rent due and to become due hereunder and thereunder have been assigned as collateral security to and are subject to a security interest in favor of Continental Bank, National Association, as Indenture Trustee under a Security Agreement and Trust Indenture dated as of December 14, 1989 between said Indenture Trustee, as secured party, and the Lessor, as debtor. Information concerning such security interest may be obtained from the Indenture Trustee at its address set forth in Section 22.1 of said Lease.

STATE OF CALIFORNIA)
) SS:
CITY AND COUNTY OF SAN FRANCISCO)

On this 21 day of December, 1989, before me personally appeared Robert C. Kiehnle, to me personally known, who being duly sworn, says that he is a Vice President of ITEL RAIL CORPORATION, that said instrument was signed on December 21, 1989 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Patricia Schumacker
Notary Public

[NOTARIAL SEAL]

My Commission Expires:

February 4, 1991

